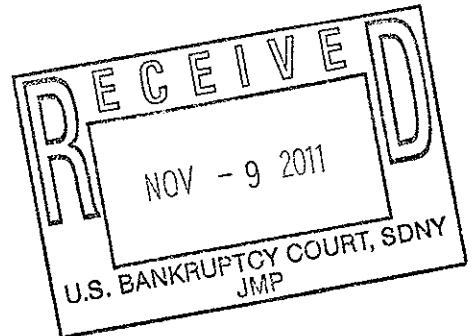




APEX LLC

16~18F, MERIT TOWER, 825-2 YEOKSAM-DONG,  
GANGNAM-GU, SEOUL 135-934, KOREA

TEL: 82 2 2018 0800 FAX: 82 2 2018 0850 apex@apexlaw.co.kr



November 8, 2011

**United States Bankruptcy Court for the Southern District of New York**

The Chambers of the Honorable James M. Peck

Attn: Honorable James M. Peck

One Bowling Green, New York, NY 10004, Courtroom 601

USA

**Re: Written Objection to the Notice of Proposed Assumption of Executory Contracts  
and Unexpired Leases Pursuant to Debtors' Third Amended Joint Chapter 11 Plan  
Pursuant to Section 1121 of the Bankruptcy Code**

Dear Honorable James M. Peck,

We are acting as the legal counsel to SHINHAN BANK ("SHINHAN"), located in South Korea. We received a document entitled Notice of Proposed Assumption of Executory Contracts and Unexpired Leases Pursuant to Debtors' Third Amended Joint Chapter 11 Plan Pursuant to Section 1121 of the Bankruptcy Code ("Notice") dated October 27, 2011 from Weil, Gotshal & Manges LLP (attorneys for the Debtors) on November 3, 2011.

We object to the Debtor LEHMAN BROTHERS COMMERCIAL CORPORATION ("LBCC")'s proposed assumption of the Contract, including the cure amount of "0". We were unable to resolve our objection consensually with the Mr. Manish Kapoor, Senior Vice President of LAMCO LLC (a subsidiary of Lehman Brothers Holdings Inc.). Therefore, we are hereby filing a written objection with the Bankruptcy Court.

**Specificity the Nature of the Objection and the Proposed Cure Amount**

Our client, SHINHAN, previously made contracts with LBCC on two (2) currency options and one (1) call option.

As stated in the *Appendix 1*, SHINHAN made two (2) currency option contracts with LBCC on September 12, 2008. Pursuant to these contracts, LBCC was obligated to pay in the



amount of **USD 1,184,250** (= USD 592,125 X 2 currency options) as an option premium. SHINHAN, however, has not received that amount from the LBCC.

As stated in the *Appendix 2*, SHINHAN purchased a call option entitled to buy the total amount of USD 30,000,000 at the exchange rate of USD 1: KRW 957 on December 6, 2007 from LBCC. The expiry date of this call option was on December 10, 2008, 03:30PM (Seoul time), and the exchange rate on the expiry date was USD 1: KRW 1,418.7. Therefore, LBCC was obligated to pay SHINHAN in the amount of **USD 9,763,163** [=  $\{(1,418.7 - 957) \times \text{USD } 30,000,000\} / 1,418.7$ ] on the delivery date, which was December 12, 2008. However, LBCC has failed to pay this amount to SHINHAN.

In summary, LBCC owes SHINHAN in the amount of **USD 10,947,413** (=1,184,250 + 9,763,163), and the interest amount accrued thereon, if any.

Please note that all the transactions above are between SHINHAN and LBCC, and they will not affect any other transactions between SHINHAN and Lehman Brothers Holdings Inc. and its affiliated companies.

Please kindly accept our written objection to the Notice sent by Weil, Gotshal & Manges LLP.

Should you have any further queries, please contact us at 82-2-2018-0992 or 82-10-3252-9955 and ask for Mr. Jong Baek Park. You may also reach us by email at [jbpark@apexlaw.co.kr](mailto:jbpark@apexlaw.co.kr).

Yours sincerely,

A handwritten signature in black ink, appearing to read "Apex LLC". Below the signature, the text "APEX LLC" is printed in a small, capital-letter font.

**Jong Baek Park, Partner**  
**Do Hoon Woo, Associate**  
**Seung Hyo Baek, Associate**

**Appendix 1**

Class: Primary  
 Description: Back Office

Date: 12 Sep 2008  
 Reference: 2008-160445-1-1-1

**POSSIBLE DUPLICATE CONFIRMATION****Start of confirmation**

Attention: FXO  
 LEHMAN BROTHERS COMMERCIAL CORP, NEW YORK

Dealt by: ARUN GANESH

Trade verified at: 15:25:29 on 12 Sep 2008

Printed at: 08:37:38 on 20 Ma

We confirm having negotiated the following currency options deal on your behalf  
 Contract date 12 Sep 2008

**Strategy 1 Straddle**

Seller	SHINHAN BANK, SEOUL
Buyer	LEHMAN BROTHERS COMMERCIAL CORP, NEW YORK

**Option 1**

Style	European
Expiry details	15 Sep 2010 03:30PM Seoul
Delivery date	17 Sep 2010
Call on	USD 10,000,000.00
Put on	KRW 10,980,500,000.00
Strike price	1,098.05
Option price	5.92125 percent of USD
Premium amount	USD 592,125.00
Premium value date	17 Sep 2008
Pay premium to	WACHOVIA, NEW YORK

**Option 2**

Style	European
Expiry details	15 Sep 2010 03:30PM Seoul
Delivery date	17 Sep 2010
Call on	KRW 10,980,500,000.00
Put on	USD 10,000,000.00
Strike price	1,098.05
Option price	5.92125 percent of USD
Premium amount	USD 592,125.00
Premium value date	17 Sep 2008
Pay premium to	WACHOVIA, NEW YORK

**No hedge mutually agreed by both counterparties**

Brokerage USD 1,600.00

Counterparty contact details SHINHAN BANK, SEOUL

Reuters: SHBH

**Special Clause**

FIXING MAR PUBLISH 1530 SEOUL REUTERS KFTC18

NON-DELIVERY BASIS SEOUL CUT 3:30 PM ON 15 SEP 2010 (expiry) FIXING BASED ON MARKET AVE RATE PUBLISHED ON 15 SEP 2010 (expiry) SETTLEMENT IN USD ON 17 SEP 2010(delivery date) REUT

**Confirmation continues...**

Class: Primary  
Description: Back Office  
...continuation of confirmation.

Date: 12 Sep 2008  
Reference: 2008-160445-1-1-

KFTC18

Disclaimer: If the details set forth in this confirmation of the above transaction (the "trade") do not accord with your understanding of the trade as confirmed verbally, please contact Tullett Prebon (Singapore) Ltd ("TPSing") immediately. In the event that you do not advise TPSing to the contrary within 1 business day of the date of this confirmation, you shall be deemed to have waived any right to dispute the accuracy of this confirmation or the existence of the trade, evidenced by it. You acknowledge that TPSing is acting as the broker of, and not as principal to, the trade. The terms of the trade, including the settlement and clearance thereof, were determined and agreed solely by you, the named principals. Any dispute arising from the trade must be resolved by you, the principals thereto, and you shall not hold TPSing harmless from any claim, action or liability that may arise from or in relation to the trade.

Broker contact details

Attention: Peter

Phone: (65) 6323 0686

Fax: (65) 6324 2787

Please contact us immediately should the particulars of this confirmation not be in accordance with your understanding.

End of Confirmation

06-12-07;16:33 ;TULLETT LIBERTY SINGAPORE

LEHMAN NYK OPT

# 1 / 2

Appendix 2

## Tullett Prebon (Singapore) Ltd

50 Raffles Place #39-00  
Singapore Land Tower  
Singapore 048623

Class: Primary  
Description: Back Office

Date: 06 Dec 2007  
Reference: 2007-141188-1-1-FXO-1

### CONFIRMATION

#### Start of confirmation

Attention: FXO  
LEHMAN BROTHERS COMMERCIAL CORP, NEW YORK  
Dealt by: Trading room  
Trade verified at: 16:18:12 on 06 Dec 2007

Printed at: 16:18:18 on 06 Dec 2007

We confirm having negotiated the following currency options deal on your behalf

Contract date 06 Dec 2007

#### Strategy 1 Strangle

Seller	LEHMAN BROTHERS COMMERCIAL CORP, NEW YORK
Buyer	SHINHAN BANK, SEOUL

<u>Option 1</u>	Style	European
	Expiry details	10 Dec 2008 03:30PM Seoul
	Delivery date	12 Dec 2008
	Call on	KRW 26,040,000,000.00
	Put on	USD 30,000,000.00
	Strike price	868.00
	Option price	0.47375 percent of USD
	Premium amount	USD 142,125.00
	Premium value date	10 Dec 2007
	Pay premium to	CITIBANK NEW YORK

<u>Option 2</u>	Style	European
	Expiry details	10 Dec 2008 03:30PM Seoul
	Delivery date	12 Dec 2008
	Call on	USD 30,000,000.00
	Put on	KRW 28,710,000,000.00
	Strike price	957.00
	Option price	0.47375 percent of USD
	Premium amount	USD 142,125.00
	Premium value date	10 Dec 2007
	Pay premium to	CITIBANK NEW YORK

No hedge mutually agreed by both counterparties

Brokerage USD 2,400.00

Counterparty contact details SHINHAN BANK, SEOUL

Reuters: SHBH

#### Special Clause

FIXING MAR PUBLISH 1530 SEOUL REUTERS KFTC18

NON-DELIVERY BASIS SEOUL CUT 3:30 PM ON 10 DEC 2008 (expiry) FIXING BASED ON MARKET AVERAGE RATE PUBLISHED ON 10 DEC 2008 (expiry) SETTLEMENT IN USD ON 12 DEC 2008 (delivery date) REUTERS

06-12-07;16:34 ;TULLETT LIBERTY SINGAPORE LEHMAN NYK OPT ;

# 2 / 2

## Tullett Prebon (Singapore) Ltd

50 Raffles Place #39-00  
Singapore Land Tower  
Singapore 048623

Class: Primary

Date: 06 Dec 2007

Description: Back Office

Reference: 2007-141188-1-1-FXO-1

...continuation of confirmation.

PAGE KFTC18

**Disclaimer:** If the details set forth in this confirmation of the above transaction (the "trade") do not accord with your understanding of the trade as confirmed verbally, please contact Tullett Prebon (Singapore) Ltd ("TPSing") immediately. In the event that you do not advise TPSing to the contrary within 1 business day of the date of this confirmation, you shall be deemed to have waived any right to dispute the accuracy of this confirmation or the existence of the trade evidenced by it. You acknowledge that TPSing is acting as the broker of, and not as principal to, the trade. The above terms of the trade, including the settlement and clearance thereof, were determined and agreed solely by you, the above named principals. Any dispute arising from the trade must be resolved by you, the principals thereto, and you shall hold TPSing harmless from any claim, action or liability that may arise from or in relation to the trade.

Broker contact details

Attention: Peter  
Phone: (65) 6323 0686

Fax: (65) 6324 2787

Please contact us immediately should the particulars of this confirmation not be in accordance with your understanding